

## **MEMORANDUM**

**TO:** Claire Powell, City Manager

**FROM:** Marichelle Samples, Director of Economic Development

**DATE:** December 16, 2024

**SUBJECT:** **Approval of the Third Amendment to the Developer Agreement Between Russell Glen, LLC and the City of Lewisville; and Authorization for the City Manager, or Her Designee, to Execute the Agreement.**

### **BACKGROUND**

In March of 2021, the City of Lewisville purchased a 25.668-acre tract of land located at the southwest corner of I-35 and FM 407 (the “Property”). The City purchased the Property to protect the Northern Gateway vision because the property was being aggressively pursued by warehouse/distribution developers, which was allowed by zoning. As one of the largest vacant, developable tracts remaining in the City’s Northern Gateway, development of the Property was critical in determining its success.

On December 20, 2021, Russell Glen, LLC (the “Developer”) and the City of Lewisville entered into a Developer Agreement. The agreement provides that the City will sell the Property to the Developer, following a 365-day inspection period, for a pedestrian-friendly commercial development to include uses such as restaurants, a grocery store, office, and hotel. Multiple extensions have been authorized due to tenant negotiations falling through.

Both the City and Developer have been aggressive in finding top-tiered tenants that will make this part of the City a destination. While the development could have occurred faster, City Staff has been very selective on which tenants the City would support.

### **ANALYSIS**

The Developer has now acquired letters of intent for approximately seventy-five percent (75%) of the Property. This Third Amendment will allow for the Developer to complete negotiations and finalize the PD, transforming the area into a pedestrian friendly commercial development, consistent with the vision of the Northern Gateway Plan.

The City Manager has approved all authorized extensions under the Developer Agreement, which extended the inspection period to on or before December 31, 2024. The proposed amendment

Subject: Approval of the Third Amendment to the Developer Agreement Between Russell Glen, LLC and the City of Lewisville.

December 16, 2024

Page 2

would extend the inspection period to on or before August 31, 2025, with a closing date thirty days following the inspection period. It will also allow the City Manager to approve additional extensions, if necessary, through December 31, 2025.

**CITY STAFF'S RECOMMENDATION**

That the City Council approve the agreement and authorize the City Manager, or her designee, to execute the agreement as set forth in the caption above.